caps have been bent and broken every year since they were put in place. Last year Congress went over the ceilings by $21 billion. This summer it's already over by $30 billion and will likely go higher.

''It's crazy,'' says Rep. David Obey of Wisconsin, Ranking Democrat on the House Appropriations Committee. ''The Republicans pretend they're going to make all these budget cuts. They're not going to do that, and they know they're not. We're already $30 billion above the caps this year, because they are stuffing so much defense stuff into the emergency bills. If you assume defense keeps its present share of gross domestic product, the all the rest of government would have to be cut almost in half.''

Right now, domestic spending is about $1,100 per capita, Obey explains, but is would fall to $640 per person under the GOP vision and almost as much under Clinton's. If highways and defense are to have growing budgets, as Congress has already decreed, then everything else must get whacked even harder, by at least twenty percent to thirty percent. It's not going to happen, for reasons that are more practical than ideological.

''You can shrink the government,'' Obey says, ''but you ain't going to shrink the country. This country is going to have 20 million more people a decade from now. We will have 1 million more young people in college, we'll have a fifty percent increase in commercial-airline flights, 50 million more people visiting the national parks every year. We have a prosperous economy now because government has always invested in science, in education and technology. Republicans are pretending the country will not respond to any of this in the future, that people would rather have the tax cut. The White House is not nearly as bad, but they are being overly optimistic as well. They're saying we can afford a tax cut of $300 billion. That's true only if you assume government is not going to respond to the growing population and economy.''

The Clinton administration nobly intends to ''pay down the public debt'' with the nearly $2 trillion in surpluses that the Social Security trust fund will accumulate during the next decade. The Treasury secretary compares this to refinancing your mortgage to get a lower interest rate, and in theory that may be the result. But Sen. FRITZ HOLLINGS, the blunt-spoken Democrat from South Carolina, offers a challenging wager to his colleague in both parties. On October 1st, when the new fiscal year begins, if the federal government's gross debt actually goes down, he will jump off the Capitol dome. And they will jump if it doesn't.

''They claim we are paying down the debt, but that's terribly misleading,'' Hollings complains. ''We are not really paying down the debt, we're shifting it from one account to another. Actually, we're looting the trust funds so we can say the government's got a big surplus. It's just not true.''

Hollings' argument takes us still deeper into the mysteries of federal accounting, but he has uncovered an important and widely believed myth about the new surpluses. His essential point is confirmed in the president's own midyear budget review. Its ten-year projections show the federal government steadily reducing its publicly held debts: the Treasury bonds, notes and bills used to borrow money in financial markets. Yet meanwhile, the federal government's total debt obligations will continue to escalate over the decade—an $485 billion increase by 2009.

So what happened to the $3 trillion surplus? It is something of an accounting mirage—like borrowing from the rent money to pay off your credit cards. Sooner or later, you still have to come up with the rent.

In fact, aside from Social Security, the government's vast borrowing from its other trust accounts—highways, military and civil-service retirement, Medicare—provides the underpinning for the supposed $1 trillion surplus in its regular operating budget. Without those trust-fund loans, CBO acknowledges, its forecast of a ten-year surplus of $996 billion shrinks to only $250 billion. Someday someone has to come up with that money too—or else stiff those lenders.

Social Security surpluses are not new at all: They have been piling up since 1983, when the payroll tax was substantially increased to prevent insolvency. This money belongs to future retirees, not Congress or the White House, but it was not locked away for them. Instead, it was spent every year to cover the swollen deficits generated by the rest of the government—and IOUs were given to the trust fund. The government still owes all that money to the Social Security trust fund, and it intends to borrow lots more.

All that is really new is the promise, now that budget deficits are vanishing, that the government will stop using Social Security money to pay its yearly operating costs and instead use it only to pay back the public borrowings in financial markets. That's admirable, but it doesn't pay off the actual debt obligations of the government to Social Security retirees. The Treasury is still giving more IOUs to the trust fund—money it will have to pay back one day hence.

Some will insist that because the government is essentially borrowing from itself, none of this matters. But it does. The suggestion that any of Social Security's long-term financial problems are somehow being remedied by these transactions is utter fiction. A nasty day of reckoning remains ahead for American taxpayers—when Social Security recipients expect to get their money back and someone gets stuck with the burden.

The choices for a future president and Congress will be stark: They can go back to the financial markets and borrow trillions again. They can raise income taxes. Or they can cut Social Security benefits and screw the retirees.

Such duplicitous evasions have prompted an angry Hollings to denounce his colleagues. ''This a shameful sideshow out here,'' he thundered in debate. ''There is no dignity left in the Senate. No responsibility.''

Indeed, none of his colleagues has taken up Hollings' proffered bet, though doubtless some of them would love to see him jump off the Capitol dome.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, September 9, 1999, the Federal debt stood at $5,654,163,509,903.96 (Five trillion, six hundred fifty-four billion, one hundred sixty-three million, five hundred and nine thousand, nine hundred and three dollars and ninety-six cents).

One year ago, September 9, 1998, the Federal debt stood at $5,548,477,000,000 (Five trillion, five hundred forty-eight billion, four hundred seventy-seven million).

Five years ago, September 9, 1994, the Federal debt stood at $4,679,665,000,000 (Four trillion, six hundred seventy-nine billion, six hundred sixty-five million).

Twenty-five years ago, September 9, 1974, the Federal debt stood at $479,367,000,000 (Four hundred seventy-nine billion, three hundred sixty-seven million) which reflects a debt increase of more than $5 trillion—$5,174,796,509,938 (Five trillion, one hundred seventy-four billion, seven hundred ninety-six million, five hundred and nine thousand, nine hundred thirty-eight dollars) during the past 25 years.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–5083. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled ''Community Services Block Grant Statistical Report'' for fiscal year 1996; to the Committee on Health, Education, Labor, and Pensions.

EC–5084. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers'' (Docket No. 99F–0994), received September 7, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–5085. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Indirect Food Additives: Polymers'' (Docket No. 89F–0338), received September 7, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–5086. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Indirect Food Additives: Adjuvants, Production Aids, Sanitizers'' (Docket No. 99F–0459), received September 7, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–5087. A communication from the Acting Director, Office of Standards, Regulations and Variances, Mine Safety and Health Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled ''Health Standards for Occupational Noise Exposure'' (RIN1219–AA53), received September 8, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–5088. A communication from the Deputy Executive Secretary, Center for Health Plans and Providers, Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Medicare Program; Graduate Medical Education (GME): Incentive Payments Under Plans for Voluntary Reduction in the Number of Residents'' (RIN0938–AI27), received September 7, 1999; to the Committee on Finance.

EC–5089. A communication from the Chief, Regulations Unit, Internal Revenue Service,